



# ENERGY ASSURANCE DAILY

Friday Evening, August 31, 2007

## ***Electricity***

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### **The California ISO Has Declared a Grid Operations Warning for August 31**

The warning asks plant operators to restrict maintenance on plants due to the projected heavy demand load for the day from 12:45 PDT to 18:00 PDT. CAISO has also informed the public that conservation is "Needed" between 15:00 and 18:00 PDT today.

<http://www.caiso.com/awe/systemstatus.html>

### **AEP's 1,016 MW Cook Nuke Unit 1 in Michigan Returns to Full Power August 31**

According to the daily report of the Nuclear Regulatory Commission, the unit was operating at full capacity by early morning August 31. The unit was shut on August 29 to repair the power supply to the controls of the main feedwater pump.

Reuters, 07:52 August 31, 2007

### **FPL's 839 MW St Lucie Nuke Unit 2 in Florida Exits Outage August 31**

According to the daily report of the Nuclear Regulatory Commission, the plant had exited an outage and ramped up to three percent of capacity by early morning on August 31. The company anticipates that the unit will be operating at 80 percent of capacity by late on August 31 and return to full power by the following day. The unit had been shut on August 19 so that a cracked weld on a seal injection line could be repaired.

Reuters, 07:49 August 31, 2007

Bloomberg News, 09:30 August 31, 2007

### **Mirant's 337 MW Contra Costa Gas-fired Unit 6 in California Increases Output but Operating with 62 MW Idle**

According to a report from the California ISO, the output of the unit was increased by 100 MW compared to the report from the previous day. Nonetheless, the output from the unit was still 62 MW below its rated capacity.

Bloomberg News, 19:02 August 30

### **Mirant's 682 MW Pittsburg Gas-fired Unit 7 in California Reduces Output by 182 MW August 30**

According to a report from the California ISO, the unit was operating with 182 MW idled. In the report from the previous day, the unit was operating with 82 MW idled.

Bloomberg News, 19:02 August 30

### **Entergy's 509 MW Vermont Yankee Nuke Unit in Vermont Shut August 30**

Reuters, 22:08 August 30, 2007

## ***Petroleum***

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### **Explorer Pipeline Imposes Allocations on Customer Shipments**

An official of Explorer Pipeline announced on August 30 that the company had reduced the amount of fuel it will permit its customers to ship through the line by 6 percent. The allocations in the line running from Houston to Chicago will be in effect for an estimated two months. The allocation came about following a spill in July that resulted in closing the line and backing up the shipping schedule.

Reuters, 15:11 August 30, 2007

### **Update: Restart of Longhorn Pipeline Expected by September 2**

The line running from the U.S. Gulf Coast to El Paso, Texas supplies petroleum products to the Arizona market. It has been shut for repairs for about a week.

Reuters, 12:53 August 31, 2007

### **Threat from Potential Atlantic Storm East of Windward Islands Helps Boosts Oil Prices**

Concern over a developing weather system in the Atlantic Ocean helped boost crude oil prices in the futures market to their highest level since the first week in August. The system, located east of the Windward Islands, could become a tropical depression sometime later today, August 31 and has the potential to become a tropical storm on September 1.

Reuters, 22:44 August 30, 2007

Bloomberg News, 12:28 August 31, 2007

### **Update: Nexen Begins Steam Injection at Alberta Oil Sands Project**

The company began the injection process to boost production of bitumen to full capacity within the next 12 to 24 months. The company anticipates that it will take approximately six months for the process to yield substantial volumes of bitumen production. At full capacity, this first stage project is expected to produce approximately 72,000 b/d of bitumen. The company anticipates that the upgrader and other infrastructure needed to convert the bitumen into oil will be completed during the first quarter of 2008.

<http://www.platts.com/Oil/News/6452822.xml?p=Oil/News&sub=Oil>

## ***Natural Gas***

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### **Crosstex Energy to Build Pipeline in Texas to Increase Takeaway Capacity for Producers**

Crosstex Energy announced plans to construct a 29-mile natural gas pipeline in Texas to provide a greater takeaway capacity to gas producers in Barnett Shale formation. The pipeline capacity will be approximately 400 MM cf/d upon completion. It is expected to be fully operationally by 2009.

[http://www.downstreamtoday.com/News/Articles/200708/Crosstex\\_to\\_Build\\_M\\_Pipeline\\_Expansio\\_5699.aspx](http://www.downstreamtoday.com/News/Articles/200708/Crosstex_to_Build_M_Pipeline_Expansio_5699.aspx)

<http://phx.corporate-ir.net/phoenix.zhtml?c=135312&p=IROL-SingleRelease&t=Regular&id=1046429&>

<http://www.forbes.com/feeds/ap/2007/08/30/ap4067897.html>

## ***Other News***

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### **Buchanan Coal Mine in Virginia to Resume Production in Early October**

Consol Energy anticipates the reopening of Buchanan Coal mine in early October. The mine was shut after an accident on July 9.

<http://www.platts.com/Coal/News/6451922.xml?p=Coal/News&sub=Coal>

### **Progress Energy Fined \$65,000 for North Carolina Nuclear Plant Violation**

Federal regulator Investigations discovered evidence that supervisors at Shearon Harris nuclear power plant gave three contract security officers answers to a requalification test.

<http://biz.yahoo.com/bizj/070830/1514633.html?v=1>

## Energy Prices

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U.S. Oil and Gas Prices August 31, 2007			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	74.16	71.40	70.27
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	5.49	5.73	5.80

Source: Reuters

## Energy Notes

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**Black Diamond 900 ton/d Coal Preparation Plant begins Operation in Kentucky August 30**  
<http://www.platts.com/Coal/News/6451918.xml?p=Coal/News&sub=Coal>

**Entergy's Indian Point Nuclear Power Plants in New York Missed Third Deadline for New Emergency Siren System, May Face Daily Fines – NRC**  
[http://biz.yahoo.com/ap/070830/ny\\_indian\\_point.html?.v=1](http://biz.yahoo.com/ap/070830/ny_indian_point.html?.v=1)  
<http://www.newsday.com/news/local/wire/newyork/ny-bc-ny--indianpoint0830aug30.0.6313576.story>

**Duke Energy Proposes Plan to Meet Future Electric Supply Demands in Ohio**  
<http://www.duke-energy.com/news/releases/2007083001.asp>  
<http://biz.yahoo.com/bizj/070830/1514784.html?.v=1>

**Dynegy Chief Acknowledges need for a U.S. Energy Policy to Balance Costs, Environmental Concerns, and Other Factors**  
[http://money.cnn.com/news/newsfeeds/articles/djf500/200708300053DOWJONESDJONLINE000012\\_FORTUNE5.htm](http://money.cnn.com/news/newsfeeds/articles/djf500/200708300053DOWJONESDJONLINE000012_FORTUNE5.htm)

**Update: Dynegy Completes Financing for 900 MW Sandy Creek Coal-fired Plant in Texas August 30**  
Reuters, 19:30 August 30, 2007

**Oil Demand in June 100,000 b/d Less than Forecast – EIA**  
Reuters, 12:59 August 31, 2007

**Update: Construction of a 250 MW Coal-fired Plant in Montana Delayed Pending Lawsuit**  
<http://www.jacksonholestartrib.com/articles/2007/08/30/news/regional/310e600fe97620d88725734600810067.txt>

**Update: Siemens Power Cites Excessive Blade Speed as Probable Cause of Fatal Wind-Tower Collapse, Not a Structural Problem**  
<http://www.oregonlive.com/news/oregonian/index.ssf?base/news/1188354306162160.xml&coll=7>

**Update: Venezuela Claims \$172 Million in Back Taxes Owed on Nationalized ConocoPhillips Project**  
Reuters, 12:41 August 31, 2007

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### ENERGY ASSURANCE DAILY

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*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/index.aspx>.

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